(c) what steps Government propose to take to check it?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) to (c) The Government are aware Of the news-item published in the daily 'Times of India" dated 2nd April, 1988 to the effect that the Indian tyres exported to Afghanistan are finding their way back into India through Pakistan resulting in some black marketeers allegedly earning huge profits on account of export rebate given on such tyres. The news-item is, however, vague and does not say where and in what manner the "exported Indian tyres" are re-imported into India "on their way back into India via Peshawar and Karachi".

Change in the excise rules and tariffs

1507. SHRI A. G. KULKARNI: Will the Minister of FINANCE be pleased to state:

(a) whether ne has received representations from National level small scale industries associations regarding damaging effects of changes in excise rules and tariffs in the recent Budget under 44AC and 206 as regards duty on scrap sold and used by foundries and waste sold as cotton waste and withdrawals of Notification No. 190|87;

(b) whether the changes have adversely affected the working of the small scale foundry and engineering industries and other small traders which may affect the financial health of industry and also employment potential; and

(c) whether his Ministry will reconsi der these changes in excise rules and tariffs to save the small scale industries?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA). (a) to (c) A number of repre, sentations were received from different associations regarding withdrawal of Noft. 190|87-CE dt. 4-8-87. In terms of above notification, the benefit of higher notional Modvat credit, which was admissible to manufacturers using inputs produced by SSI units, at the rate of ten percentage point, was sought to be withdrawn from the 1st Sept. 1987. However, the benefit was allowed to be continued till 31-3-88. On a review of the scheme, it was decided to reduce the extent of notional higher credit from maximum limit of 10 per cent points to 5 per cent ad valorem for a period of one year ending 31-3-1989. The Finance Bill, 1988, as passed by Loir Sabha, excludes scrap and waste products frcm the purview of section 44AC and 206C of the Income-tax Act.

Employment generation by irrigation projects

1508. SHRI SUBAS MOHANTY: Will the Minister of WATER RESOURCES be pleased to state the results of the study conducted by the Central Water Commis sion regarding actual generation of employ ment by the projects in the irrigation sec tor', requirements and surpluses of differ ent categories of manpower from 82 irri gation projects in the country?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): Studies carried out on a few projects or: the basis of data received indicate that per crore of rupees spent annually, about 70 techni- cal persons and 240 others could b3 cm-ployed by project authorities. No study on surpluses or deficiencies of different categories of manpower has been made by the Central Water Commission.

Financial Crisis in MCD

1509. SHRI V. NARAYANASAMY- Will the Minister of HOME AFFATRS be pleased to state:

(a) whether it is a fact that the Municipal Corporation, Delhi is on the verge Of financial crisis due to wasteful expenditure and it may not be alle to pay even the salaries to its employees:

(b) whether it is also a fact that th^ DDA and NDMC ha^e to pay huge arrears